

Lowell, Rebecca

From: Hyde, Bob
Sent: Wednesday, December 16, 2015 3:21 PM
To: Boudreau, Jill; Lowell, Rebecca
Subject: FW: Document5 [Compatibility Mode]
Attachments: Document5 [Compatibility Mode].docx; SC35115121518440.pdf; SC35115121518450.pdf; SC35115121518440.pdf

FYI

Bob

Bob Hyde, P.E.
Community Development Director
City of Mount Vernon
910 Cleveland Ave.
Mount Vernon, WA 98273
boh@mountvernonwa.gov
(360) 336-6214

From: Dan Mitzel [<mailto:danmitzel@mitzel.net>]
Sent: Tuesday, December 15, 2015 7:00 PM
To: 'Charlie Guildner'; 'jmpenney59@comcast.net'; 'Jim VanderMey'; Hyde, Bob; 'Tom Theisen'; 'Paul Woodmansee'; 'Gene Van Selus'; 'dnord@nordnw.com'; 'Melanie Corey'; 'Carl.Young@skagit.edu'; 'PaulS@Schissler.com'; 'john@johnmitzel.com'
Subject: Document5 [Compatibility Mode]

Task Force Members:

Attached are the Committee A report which was significantly changed after Joan and I met with Bob Hyde and Rebecca Lowell, a draft letter from HAATF to Bob Hyde, The SKAGIT COUNTY HOUSING NEEDS PROFILE and Speaking points prepared by Committee C.

The Hampton Inn has moved the meeting to the Eagle Room in the hotel that is on the first floor at the west end of the corridor. Please help yourself to coffee or tea in the breakfast area. See you tomorrow morning at

Thanks!

Dan

MEETING AGENDA

HOUSING AFORDABILITY AND AVAILABILITY TASK FORCE

DECEMBER 16, 2015

Hampton Inn & Suites Eagle Room

9:00 am

UPDATE FROM COMMITTEES

COMMITTEE A Suggested changes to the City of Mount Vernon Comp Plan, Zoning code and Land Use Code

COMMITTEE B, D and E which were combined

COMMITTEE C

COMMITTEE F

COMMITTEE G

Discussion regarding the upcoming meeting with the City of Mount Vernon Comp Plan Amendment Citizen's Advisory Committee on January 11th.

Housing Summit Update Joan Penny

Where do we go from here?

Task Assignments

Below is the email that I sent out December 7th that described what each Committee was to be working on.

Greetings Task Force Members!

I wanted to touch base with all of you to make sure that you will be at the next meeting of our group Wednesday December 16th at the Evergreen Room at the Hampton Inn. This is the same place we met last time. I want to get ready for this meeting and to do so I need to hear back from each of the Committee's regarding what has been done so far and what you want to have on the meeting agenda regarding your committee's activities. The Committee's did not get named at our meeting so I will refer to them by the letter designation.

Committee A is working on the proposed changes to the Mount Vernon Comp Plan update. The Committee members are Dick Nord, Tom Theisen, Melanie Cory and me. We have come up with some very specific changes to the Comp Plan and the Zoning code to dramatically improve the feasibility of building affordable housing in Mount Vernon. Our recommendations will be refined down to recommendations that will be presented at a meeting on January 11th with the Comprehensive Plan Update Committee that has been meeting since early summer. Our hope is that we can gain some traction with this Comp Plan update Committee so that our recommendations have a good chance of being implemented into the updated Mount Vernon Comp Plan.

Committee B is made up of Bob Hyde Paul Schissler, and Bob Hicks. This committee will collect and organize data that will give us more accurate information regarding the housing inventory that is available in Skagit County. This should also include an available lands survey that takes into consideration physical constraints such as access, infrastructure and critical areas impacts. This committee is also taking on the items D and E which are: **Committee D:** looking at affordable housing solutions and policies that have been effective in other communities including tax incentives, density bonus incentives and reduction of impact fees and, **Committee E:** develop a report on the importance of affordable housing and its relationship to living wage job creation and overall economic health. It is especially important that we tie the positive effect of a healthy housing environments on Skagit County's overall economic health.

Committee C is made up of Charlie Guildner, Carl Young, Paul Woodmansee and Joan Penny. committee C is focused on educating decision-makers and policymakers regarding the role that they can play in solving this crisis.

Committee F. is headed up by Joan Penny. I am unsure as to who else is helping Joan with this important element of housing needs for homeless, transitional and interim housing.

We need to move quickly if we are going to have any real impact on the Comp Plan update for Mount Vernon. We are set up to meet on January 11th with the Mount Vernon Comp Plan Citizens Committee. Tom Theisen is a member of that group. On January 22nd the Housing Summit will be held at McIntyre Hall. We must be well represented at the Housing Summit.

Our message should, at a minimum, include the following:

We need to get the message across that there is a "Housing Crisis" in Skagit County. This means presenting hard data about the nature of the problems that we are facing with the lack of affordable housing.

We need to understand how we got to this crisis point and identify the causes of the "Housing Crisis" so that we know what needs to be fixed.

We need to come up with achievable goals to accomplish what needs to be done to solve the "Housing Crisis" at a City level and at a County level by implementing very specific changes to Comprehensive Plan

and Zoning regulations that will promote the development of private sector and public sector housing solutions.

We need to promote the use of land as a finite resource that cannot be wasted. Land use regulations should promote smart growth that includes redevelopment of existing developed parcels and the repurposing of existing structures.

This is a short list of general goals that I am sure will grow as we work together to get our message out to the Citizens of Skagit County and those who have the power and responsibility to establish land use policies.

HOUSING AFORDABILITY AND AVAILABILITY TASK FORCE

December 16, 2015

To: City of Mount Vernon

Attn: Bob Hyde, Director of Community and Economic Development

From: Housing Affordability and Availability Task Force (HAATF)

Members:

Melanie Cory, Charlie Gildner, Bob Hicks, Dan Mitzel, Dick Nord, Joan Penney, Paul Schissler, Tom Theisen, Jim Vandermey, Gene Van Selus, Paul Woodmansee and Carl Young)

Re: Request to meet with the City Council in a study session in January of 2016

Bob:

We believe there is a housing crisis in Mount Vernon that is growing, resulting in hardships for increasing numbers of residents as well as lost economic opportunity for the city as a whole. The causes of the crisis are not unique to Mount Vernon, but rather a reflection of long-term national trends:

- Seniors are living longer and healthier lives
- Young people are forming families and having children at an older age if at all
- College debt and constrained wage growth are keeping young families out of the housing market

We believe that sustaining our quality of life and fostering a healthy economy are not in conflict, and that areas of higher density and greater variety of housing options can help solve the housing crisis and create economic opportunities.

We are requesting an opportunity to meet with the Mount Vernon City Council during a January 2016 study session to present our evidence of a housing crisis as well as concrete proposals related to the upcoming Comprehensive Plan update that could help counter this trend. These proposals are based on evidence and the experience of other Northwest cities. We understand that a group of us will have an opportunity to meet with the Citizen's Advisory Committee to the Comprehensive Plan on January 11, 2016 and we look forward to this discussion. However, it is imperative that our research and input directly reach the City Council as we know this crisis to be severe and our proposals need to be heard by those who have the final vote in any Comprehensive Plan changes and any land use rules and regulations that are implemented as part of the upcoming Comprehensive Plan Update.

We look forward to your response to meet with us at your earliest convenience.

Thank you for your service to our community and your willingness to lead in these difficult matters.

Contact: Dan Mitzel, danmitzel@mitzel.net Office Phone: 360-404-2090

Table of Contents

Introduction	2
Housing Needs in Skagit County	2
County and City Profiles.....	5
A. Skagit County	6
B. Anacortes	8
C. Burlington	10
D. Concrete.....	12
E. Hamilton	14
F. La Conner	16
G. Lyman.....	18
H. Mount Vernon.....	20
I. Sedro-Woolley	22
Appendix: Tracking Housing trends and Objectives	24

INTRODUCTION

Skagit County has recognized that there is insufficient affordable housing in Skagit County and formed a Skagit County Affordable Housing Advisory Committee in 2010. An Interim Report with strategies titled “Building a Skagit County Housing Affordability Strategy” was developed in 2013. This collective report by the committee described the mismatch of available housing at affordable levels, and identified strategies to meet the need. One recommendation recognized that “By implementing the Comprehensive Plans, each jurisdiction will play a proactive role in creating housing affordability that matches the incomes and jobs in its sphere of influence.” Currently Skagit County and each city must update their Comprehensive Plan Housing Elements per the Growth Management Act by June 30, 2016. Skagit County and cities have met in April 2015 to discuss housing needs.

Given most growth is planned in cities where services and infrastructure is available, cities are key players in the provision of a variety of housing types affordable to a range of incomes. Joint action would be needed by the cities and County to make progress since the County allocates growth and provides human services as well as offers rural housing choices.

This document provides a summary of housing concerns across Skagit County and then provides a profile of each community. The profiles allow each city’s housing needs to be compared to the countywide housing need, and describes current and potential activities that each local government can take to meet local and collective housing needs. This information on housing may also assist with the formulation of Housing Elements in each community.

HOUSING NEEDS IN SKAGIT COUNTY

Data collected and reviewed reflect the following countywide trends for housing in Skagit County – these are also graphically communicated on page 4:

Skagit County has grown, but more recently at a slower rate. The official U.S. Census population for 2010 was 116,901 and in 2014 it equaled 119,500 according to the State Office of Financial Management (OFM). The average annual increase from 2000 to 2010 was 1.3 percent, while for the period between 2010 and 2014 it was about half the rate, at 0.6 percent.

Skagit County's population is becoming more diverse. The percentage of the population that is white alone has decreased between 2000 and 2010 from 86.5 to 83.4 percent and the percentage of Hispanic or Latino persons has increased from 11.2 to 16.9 percent. (US Census 2000 and 2010)

The population is aging; those that are aging tend to have more disabilities. The share of the population aged 65 years and older has increased (from 14.6 percent in the year 2000 to 16.1 percent in 2010). The median age is also increasing (from 37.2 percent in 2000 to 40.1 in 2010). About 13 percent of the county population has a disability. Those 65 years old or greater tend to have more disabilities (36.2 percent). (American Community Survey 5-Year Estimate, 2009-2013)

Household sizes are getting smaller. The average household size is decreasing (from 2.6 in 2000 to 2.53 in 2010). As of 2010 more than half of county households consist of a householder living alone (25.6 percent) or married couples with no children (33.3 percent). (US Census)

Household poverty has increased. In 2013, the median household income was estimated at \$55,925; 13.4 percent of total households are in poverty, up from 11.5 percent in 2010. In 2013, about 40.4 percent of households earned very low, low, and moderate incomes (0-80 percent of the countywide median income). (American Community Survey 2010 and 2013)

Homelessness is a special need in the County, and affects children and adults. Nearly 1,000 persons are homeless at any given time in Skagit County. In 2011, 957 people were estimated as homeless (Skagit County Community Services Department 2012) and in 2012 a count estimated 1,247 homeless persons with 48 percent being children (Community Action of Skagit County 2013).







Farmworkers have a need for safe, affordable housing. The 2010-2015 Skagit County Farmworker Housing Action Plan (March 2011) found that approximately 4,220 farmworkers and family members in Skagit County do not have a safe affordable home, and there is an immediate need for about 844 farmworker housing units.

Human services help support households in need. The County Community Services Department provides services countywide for those with special needs (home repair program, elder meal services, mental health services, etc.). Community Action of Skagit County developed a community needs assessment in 2013 addressing the dimensions of poverty; about 704 households were surveyed. Some housing-related findings include the need for living wage jobs and concerns with increasing rental and utility costs.

Housing stock is predominantly single family. As of 2013 countywide there were 52,218 dwellings. Most (72 percent) are single-family detached dwellings. There is a higher share of manufactured housing units in unincorporated Skagit County than in incorporated cities as a whole; conversely most of the attached dwellings are in incorporated cities. (OFM 2013)

Housing stock is aging. The County's overall housing stock shows nearly one third were built between 30-50 years ago (29 percent), and another third are greater than 50 years old (33 percent). (American Community Survey, 2009-2013 5-Year Sample Estimates). Over the 20-year life of the Comprehensive Plan, the percentage of the older housing stock would increase.

There is a greater need for affordable ownership and rental housing. The *Building a Skagit County Housing Affordability Strategy* found that "two out of every five households cannot afford the housing they occupy in Skagit County." This means about 17,000 households are currently "cost burdened" – meaning they pay more than 30 percent of their income on housing costs. There is an undersupply of affordable rental units as well as a county-wide undersupply of total housing units. By 2036 about 40.4 percent or 6,000 units of the *future* housing stock will need to be available at affordable levels. That's above and beyond addressing the current needs of the 17,000 households that are cost burdened.

A. SKAGIT COUNTY HOUSING NEEDS PROFILE																																																																																									
1. Demographic Profile	Population 2014: 119,500 Households 2013: 45,293 Average Household Size 2013: 2.56 Median Household Income 2013: \$55,925							OFM, 2014 2013 5-Year ACS																																																																																	
2. Housing Stock Profile	Housing Units 2014: 52,505 Housing Type 2014: <ul style="list-style-type: none">Single family homes share: 72%Two or more units share: 15%Mobile home unit shares: 12% Bedrooms 2013: 72.9% of homes had 2 or 3 bedrooms. Tenure 2013: <ul style="list-style-type: none">Owner-occupied: 67.6%Renter occupied: 32.4%							OFM, 2014 2013 5-Year ACS																																																																																	
3. Household Income Distribution	Based on the countywide area median income (AMI) of \$55,925 in 2013: <ul style="list-style-type: none">Households earning 30% and below AMI: 11.9%Households earning 31-50% AMI: 11.1%Households earning 51-80% AMI: 17.4%							2013 5-Year ACS																																																																																	
4. Household Earnings and Housing Burden	Households earning less than 80% of the AMI 2013: <ul style="list-style-type: none">Countywide – 40.4% Total spending more than 30% on housing and earning below 80% of AMI 2012: <ul style="list-style-type: none">Countywide - 25%							CHAS Tool, HUD 2012 2013 5-Year ACS																																																																																	
5. Match of Rental Stock to Income Levels	<div>Skagit County Renter-Occupied Income and Current Rents</div> <table><thead><tr><th rowspan="2">Ratio to Skagit County AMI \$55,925</th><th colspan="2">Income Ranges</th><th colspan="2">Monthly Housing Budget*</th><th colspan="2"> Estimated Renter HHs</th><th colspan="2"> Estimated Gap</th></tr><tr><th>Low</th><th>High</th><th>Low</th><th>High</th><th>Count</th><th>Percent</th><th>Units</th><th>over/(under)</th></tr></thead><tbody><tr><td>Under 30%</td><td>\$0</td><td>\$17,000</td><td>\$0</td><td>\$425</td><td>3,351</td><td>23%</td><td>851</td><td>(2,501)</td></tr><tr><td>30 - 50%</td><td>\$17,000</td><td>\$28,000</td><td>\$425</td><td>\$700</td><td>2,546</td><td>17%</td><td>1,375</td><td>(1,171)</td></tr><tr><td>50 - 80%</td><td>\$28,000</td><td>\$45,000</td><td>\$700</td><td>\$1,125</td><td>3,055</td><td>21%</td><td>6,492</td><td>3,437</td></tr><tr><td>80 - 100%</td><td>\$45,000</td><td>\$56,000</td><td>\$1,125</td><td>\$1,400</td><td>1,493</td><td>10%</td><td>1,057</td><td>(436)</td></tr><tr><td>100 - 120%</td><td>\$56,000</td><td>\$67,000</td><td>\$1,400</td><td>\$1,675</td><td>1,282</td><td>9%</td><td>1,471</td><td>189</td></tr><tr><td>120% or Over</td><td>\$67,000</td><td></td><td>\$1,675</td><td>\$0</td><td>2,965</td><td>20%</td><td>937</td><td>(2,028)</td></tr><tr><td>Total</td><td></td><td></td><td></td><td></td><td>14,693</td><td></td><td>12,183</td><td>(2,511)</td></tr></tbody></table> <p>*Estimated monthly housing budget based on 30% of monthly gross income.</p> <ul style="list-style-type: none">More units are needed to meet renter-household incomes at nearly every level income level in 2013. There's a 2,511 unit gap overall.							Ratio to Skagit County AMI \$55,925	Income Ranges		Monthly Housing Budget*		 Estimated Renter HHs		 Estimated Gap		Low	High	Low	High	Count	Percent	Units	over/(under)	Under 30%	\$0	\$17,000	\$0	\$425	3,351	23%	851	(2,501)	30 - 50%	\$17,000	\$28,000	\$425	\$700	2,546	17%	1,375	(1,171)	50 - 80%	\$28,000	\$45,000	\$700	\$1,125	3,055	21%	6,492	3,437	80 - 100%	\$45,000	\$56,000	\$1,125	\$1,400	1,493	10%	1,057	(436)	100 - 120%	\$56,000	\$67,000	\$1,400	\$1,675	1,282	9%	1,471	189	120% or Over	\$67,000		\$1,675	\$0	2,965	20%	937	(2,028)	Total					14,693		12,183	(2,511)	2013 5-Year ACS BERK 2015	
Ratio to Skagit County AMI \$55,925	Income Ranges		Monthly Housing Budget*		 Estimated Renter HHs		 Estimated Gap																																																																																		
	Low	High	Low	High	Count	Percent	Units	over/(under)																																																																																	
Under 30%	\$0	\$17,000	\$0	\$425	3,351	23%	851	(2,501)																																																																																	
30 - 50%	\$17,000	\$28,000	\$425	\$700	2,546	17%	1,375	(1,171)																																																																																	
50 - 80%	\$28,000	\$45,000	\$700	\$1,125	3,055	21%	6,492	3,437																																																																																	
80 - 100%	\$45,000	\$56,000	\$1,125	\$1,400	1,493	10%	1,057	(436)																																																																																	
100 - 120%	\$56,000	\$67,000	\$1,400	\$1,675	1,282	9%	1,471	189																																																																																	
120% or Over	\$67,000		\$1,675	\$0	2,965	20%	937	(2,028)																																																																																	
Total					14,693		12,183	(2,511)																																																																																	
6. Match of Ownership Costs to Income Levels	Median Home Value 2013: \$261,400 About half of Skagit County's households could afford housing priced below \$270,000 in 2013. <ul style="list-style-type: none">Total Homeowners paying > 30% of their income on mortgage 2013: 42%Lower-income Owners spending > 30% on housing and earning below 80% of AMI 2012: 17%							2013 5-Year ACS CHAS Tool, HUD 2012																																																																																	
7. Countywide	40% of the county wide housing stock is affordable to households earning at or							2013 5-																																																																																	

A. SKAGIT COUNTY HOUSING NEEDS PROFILE		
Housing Need Objective	below 80 percent of the Countywide Area Median Income (AMI). See Appendix for more discussion of this objective and how it can be tracked.	Year ACS
8. 2036 Growth Allocations and Potential Housing Need	<p>Population Growth Allocation 2015-2036:</p> <ul style="list-style-type: none"> Countywide: 34,751 new persons Rural only: 7,150 new persons <p><i>Converted to households: 13,750 countywide, 2,750 rural</i></p> <p>Desired number of units affordable to households earning 80% and below AMI:</p> <ul style="list-style-type: none"> Based on Countywide need, 40% = 5,500 Based on rural growth, 40% = 1,100 	<p>SCOG, 2014</p> <p>BERK, 2014 and 2015</p>
9. Current Measures Addressing Need	<p>County's roles include:</p> <ul style="list-style-type: none"> Allocating growth to all jurisdictions in accordance with GMA provisions to provide adequate land for housing to meet the anticipated population growth. Providing diverse rural housing choices through zoning and incentives for manufactured homes, accessory dwelling units or duplexes, farmworker housing such as temporary housing that would not remove long-term productive agricultural lands, and a range of rural single family densities including Conservation and Reserve Developments (CaRDs) and infill and adaptive reuse in Rural Villages. Convening housing and human service providers and strategies such as through the formation of the Skagit County Affordable Housing Advisory Committee authorized by Skagit County Commissioners' Resolution #R2010-0206. Establishing a HOME Consortium as an annual grant source, for municipalities in Skagit, Island and Whatcom Counties. Through the County Public-Health and Community Services Department, providing services for those with special needs (home repair program, elder meal services, mental health services, etc:). 	Draft Housing Element 2015
10. Possible Community Policy Responses to meeting housing needs	<p>Future County actions may include:</p> <ul style="list-style-type: none"> Allocating a share of certain revenue sources for incentives to construct affordable housing. Reviewing permitting and fees, such as impact fees. Developing incentives to facilitate different types of housing in rural and urban areas and need to address services. Facilitating affordable, safe farmworker housing, including permanent housing in city centers, and temporary housing in rural areas given the seasonal nature of farm work <p>See also:</p> <p>Puget Sound Regional Council Housing Toolkit: http://www.psrc.org/growth/housing/hip/</p> <p>Municipal Research and Services Center, Housing Programs: http://mrsc.org/Home/Explore-Topics/Planning/Specific-Planning-Subjects,-Plan-Elements/Housing/Housing-Programs.aspx</p>	Draft Housing Element 2015

HOUSING AFFORDABILITY AND AVAILABILITY TASK FORCE

December 16, 2015

To: City of Mount Vernon

Attn: Bob Hyde, Director of Community and Economic Development

From: Housing Affordability and Availability Task Force (HAATF)

Members:

Melanie Cory, Charlie Gildner, Bob Hicks, Dan Mitzel, Dick Nord, Joan Penney, Paul Schissler, Tom Theisen, Jim Vandermeij, Gene Van Selus, Paul Woodmansee and Carl Young)

Re: Request to meet with the City Council in a study session in January of 2016

Bob:

We believe there is a housing crisis in Mount Vernon that is growing, resulting in hardships for increasing numbers of residents as well as lost economic opportunity for the city as a whole. The causes of the crisis are not unique to Mount Vernon, but rather a reflection of long-term national trends:

- Seniors are living longer and healthier lives
- Young people are forming families and having children at an older age if at all
- College debt and constrained wage growth are keeping young families out of the housing market

We believe that sustaining our quality of life and fostering a healthy economy are not in conflict, and that areas of higher density and greater variety of housing options can help solve the housing crisis and create economic opportunities.

We are requesting an opportunity to meet with the Mount Vernon City Council during a January 2016 study session to present our evidence of a housing crisis as well as concrete proposals related to the upcoming Comprehensive Plan update that could help counter this trend. These proposals are based on evidence and the experience of other Northwest cities. We understand that a group of us will have an opportunity to meet with the Citizen's Advisory Committee to the Comprehensive Plan on January 11, 2016 and we look forward to this discussion. However, it is imperative that our research and input directly reach the City Council as we know this crisis to be severe and our proposals need to be heard by those who have the final vote in any Comprehensive Plan changes and any land use rules and regulations that are implemented as part of the upcoming Comprehensive Plan Update.

We look forward to your response to meet with us at your earliest convenience.

Thank you for your service to our community and your willingness to lead in these difficult matters.

Contact: Dan Mitzel, danmitzel@mitzel.net Office Phone: 360-404-2090